

Message Text

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SUBJECT: GOM INTERVENES IN LABOR-MANAGEMENT DISPUTE

REF: MONTERREY 653

1. IMPORTANT ROLE RECENTLY PLAYED BY GOM IN MEDIATING LOCAL
LABOR DISPUTE IN LARGE MONTERREY PIPEMILL IN FEB 1978
CONTRASTS SHARPLY WITH GOVERNMENT HANDS-OFF POLICY TOWARD
LABOR STRIFE IN SAME FIRM IN SEPT 1977.

2. DURING TEN DAY NEGOTIATING SESSION RUNNING FROM FEB
9-18 OVER ANNUAL WAGE CONTRACT IN TUBACERO PLANT, MANAGEMENT
FOUND LOCAL UNION'S WAGE DEMANDS HIGH AND ESCALATING --
STARTING AT 25 PERCENT AND EVENTUALLY REACHING 30 PERCENT.
SEVERAL SEVERAL STRIKE DEADLINES WERE ALSO IMPOSED BY
UNION, BUT ALL WERE POSTPONED AS NEGOTIATIONS CONTINUED. DEAD
LINES MAY HAVE BEEN MERE NEGOTIATING TACTIC, BUT FIRM COULD HAVE BEEN
BADLY HURT BY ANY STRIKE AT CRUCIAL PERIOD WHEN TUBACERO
IS ROLLING 48 INCH PIPE FOR PEMEX FOR USE IN MEXICO'S NORTH-
SOUTH GAS PIPELINE. OTHER TUBACERO CUSTOMERS TOOK
PROSPECT OF STRIKE AS SUFFICIENTLY SERIOUS TO WITHDRAW IN
ADVANCE FROM TUBACERO THEIR STOCKS OF PIPE TO AVERT POSSI-
BILITY THAT THESE INVENTORIES WOULD BE FROZEN BEHIND BLACK
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AND RED STRIKE FLAGS OF CTM STRIKERS.

3. TUBACERO MANAGEMENT CONFIDED TO US THAT IT
CONSULTED WITH GOM LABOR SECRETARY OJEDA OVER
NEGOTIATING DIFFICULTIES, BUT THEY CLAIM NOT TO HAVE
ASKED FOR OVERT GOM INTERVENTION. HOWEVER, OJEDA
STEPPED IN TO ASK STATE GOVERNOR ZORRILLA TO ACT AS

MEDIATOR IN NEGOTIATIONS. ACTING ON OJEDA'S GUIDANCE, ZORRILLA ANNOUNCED PUBLICLY THAT HE WOULD RESOLVE IMPASSE QUICKLY, AND NEW CONTRACT CALLING FOR ONLY 12.5 PERCENT WAGE HIKE WAS SIGNED ON FOLLOWING DAY. OJEDA'S ROLE WAS SEEN AS IMPORTANT SINCE GOVERNOR ZORRILLA IS USUALLY CONSIDERED A TACIT ALLY OF THE CTM UNION DURING LABOR-MANAGEMENT STRIFE. GOM INTERVENTION IN DISPUTE ALSO INCLUDED PRESSURE FROM NATIONAL CTM LEADER VELASQUEZ ON LOCAL CTM LEADER TO ACCEPT A MODERATE SETTLEMENT.

4. THIS RECENT GOM INTERVENTION IN FAVOR OF TUBACERO'S MANAGEMENT CONTRASTS WITH GOM INACTION DURING 1977 DISPUTE BETWEEN TUBACERO AND CTM (REFTEL). DURING LAST SEPT'S SUCCESSFUL DRIVE BY LOCAL CTM FORCES TO TAKE-OVER TUBACERO'S HITHERTO INDEPENDENT AFFILIATED WORK-FORCE, GOM MAINTAINED A STRICTLY HANDS-OFF STANCE. DESPITE EVIDENCE OF LEGAL IRREGULARITIES IN THAT TAKEOVER MOVE, INCLUDING SOME STRONG ARM TACTICS, GOM TURNED A DEAF EAR ON MANAGEMENT'S PLEAS. EVEN A TELEGRAPHIC APPEAL TO PRESIDENT LOPEZ-PORTILLO WENT UNANSWERED.

5. COMMENT: INTERVENTION IN FEB 1978 NEGOTIATIONS BETWEEN TUBACERO AND ITS UNION IS EXAMPLE OF RIGOR WITH WHICH WAGE AUSTERITY IS BEING APPLIED. FACT THAT TUBACERO IS PRODUCING PIPE FOR A TOP PRIORITY GOM LIMITED OFFICIAL USE

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PROJECT MAY ALSO HAVE HAD ROLE IN GOM MOVES TO AVERT WORK STOPPAGE. MCLENDON

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